

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

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| (1) DEPARTMENT Planning and Building | (2) MEETING DATE 9/13/2016 | (3) CONTACT/PHONE Suzan Ehdaie, Planner II / (805)781-4974 | |
| (4) SUBJECT Request to approve the FY 2016-17 agreement with the Cal Poly Corporation to support the SLO HotHouse in the amount of \$200,000 for provision of Economic Development Services from FC -290 Community Development. All Districts. | | | |
| (5) RECOMMENDED ACTION It is recommended that the Board approve and instruct the Chairperson to sign the attached agreement. | | | |
| (6) FUNDING SOURCE(S) FC 290 - Community Development (General Fund) | (7) CURRENT YEAR FINANCIAL IMPACT \$200,000.00 | (8) ANNUAL FINANCIAL IMPACT \$200,000.00 | (9) BUDGETED? Yes |
| (10) AGENDA PLACEMENT { X } Consent { } Presentation { } Hearing (Time Est. ____) { } Board Business (Time Est. ____) | | | |
| (11) EXECUTED DOCUMENTS { } Resolutions { X } Contracts { } Ordinances { } N/A | | | |
| (12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001692 | | (13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required { X } N/A | |
| (14) LOCATION MAP N/A | (15) BUSINESS IMPACT STATEMENT? Yes | (16) AGENDA ITEM HISTORY { } N/A Date: <u>9/15/2015</u> | |
| (17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe | | | |
| (18) SUPERVISOR DISTRICT(S) All Districts | | | |

County of San Luis Obispo



TO: Board of Supervisors

FROM: Suzan Ehdaie, Planner II

VIA: Trevor Keith, Deputy Director, Policies and Programs

DATE: 9/13/2016

SUBJECT: Request to approve the FY 2016-17 agreement with the Cal Poly Corporation to support the SLO HotHouse in the amount of \$200,000 for provision of Economic Development Services from FC -290 Community Development. All Districts.

RECOMMENDATION

It is recommended that the Board approve and instruct the Chairperson to sign the attached agreement.

DISCUSSION

Background

The adopted budget for Fund Center 290- Community Development includes \$200,000 in General Fund support for use by the SLO HotHouse to support the economic development activities and job creation priorities of the SLO HotHouse Incubator Program.

The SLO HotHouse Incubator Program is a two-year post-accelerator business development program providing space and assistance to companies launching out of the Accelerator. The Incubator Program provides a runway designed to support startup success and the economic development agenda of the Small Business Development Center (SBDC), Cal Poly and the Community. The programs of the SLO HotHouse and of the SBDC Program have created 27 new jobs during the last 6 month reporting period. An additional list of the scope of services provided is included in Attachment 1.

Scope of Services

The financial support of San Luis Obispo County in the amount of \$200,000, as an annual contribution, will pay for the cost of facilities and utilities expended to support the SLO HotHouse Incubator Program, its economic development activities and its job creation priorities. In addition, the County Administrative Office (or designee) holds one seat on the HotHouse Community Advisory Board. This agreement is between the County and the Cal Poly Corporation, fiscal agent for California Polytechnic University and the SLO HotHouse.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel approved the agreement as to form and legal effect.

BUSINESS IMPACT STATEMENT

Approval of the agreement will provide support the economic development activities and job creation priorities of the SLO HotHouse.

FINANCIAL CONSIDERATIONS

The County's financial contribution is budgeted under fund center 290 - Community Development. The County's financial contribution will go directly towards supporting the payment of rent and utilities to support programs.

RESULTS

The contract renewal between the County and the SLO HotHouse will support the SLO HotHouse in continuing its efforts to promote entrepreneurship and job creation through its primary program called the "Incubator Program". During the previous 2015-2016 fiscal year, the SLO HotHouse achieved the following: 1) accepted seven startup companies into its "Incubator Program", 2) graduated four startup companies from the "Incubator Program", resulting in the creation of 12 jobs, 3) offered business counseling services and training through its Small Business Development Center (SBDC) program, and 4) held entrepreneurship forums and an annual event called "TechPitch" for business entrepreneurs, Cal Poly students, and faculty members. For this fiscal year (2016-2017), the SLO HotHouse intends to continue operating the "Incubator Program" and the SBDC program by accepting additional startup companies to its "Incubator Program", providing counseling and training through its SBDC program, and holding annual events and forums in entrepreneurship. The renewed contract will result in countywide economic and workforce development that is consistent with the County's goal of promoting livable and prosperous communities.

ATTACHMENTS

1. FY 2016-17 Agreement with the Cal Poly Corporation
2. San Luis Obispo HotHouse Annual Report